73-720 Fred Waring Drive, Suite 100 Palm Desert, CA 92260 (760) 346-7491 Public Notice No. 7-07-07 NPDES Permit No. CA7000003 February 9, 2007

ADMINISTRATIVE CIVIL LIABILITY ORDER NO. R7-2007-0007
ISSUED TO
ORMAT NEVADA, INC.
SECOND IMPERIAL GEOTHERMAL COMPANY
FOR DISCHARGES OF WASTEWATER
INTO BEECH DRAIN
THAT VIOLATE BOARD ORDER NO. R7-2005-0065
NPDES PERMIT NO. CA7000003

Ormat Nevada, Inc. Second Imperial Geothermal Company (hereinafter the Discharger) owns and operates a geothermal power plant facility. The Discharger discharges cooling tower blowdown wastewater. The final effluent is discharged to the Beech Drain, which then conveys the effluent to the Alamo River and thence flows to the Salton Sea. On June 29, 2005, the California Regional Water Quality Control Board, Colorado River Basin Region (Regional Board) adopted Waste Discharge Requirements and a National Pollutant Discharge Elimination System (NPDES) Permit to regulate the discharge of the treated wastewater to the Beech Drain. The Permit is assigned NPDES Permit No. CA7000003, Board Order No. R7-2005-0065.

On November 15, 2006, the Assistant Executive Officer of the Regional Board issued Administrative Civil Liability Complaint No. R7-2006-0070 against the Discharger, alleging that it discharged wastewater that exceeded effluent limits set forth in Board Order No. R7-2005-0065. Pursuant to Section 13385 of the California Water Code, this complaint proposed that the discharger pay thirty-three thousand dollars (\$33,000) in mandatory minimum penalties for violations of specified effluent limitations.

Pursuant to California Water Code Section 13323(b), the Discharger was timely informed of its right to waive the public hearing that the Regional Board had scheduled for January 17, 2007, in the La Quinta City Council Chambers. Prior to that hearing, the Discharger agreed to waive its right to the hearing and proposed to implement a supplemental environmental project (SEP), consistent with Section IX of the Water Quality Enforcement Policy (Policy), which is designed to correct the violations in five years in lieu of payment of \$24,000 of the proposed civil liability of \$33,000. The Policy was adopted by the State Water Resources Control Board on February 19, 2002, as Resolution No. 2002-0040, was approved by the Office of Administrative Law, and became effective on July 30, 2002. The public hearing was cancelled, however, due to the Regional Board's not being able to meet minimum quorum requirements. The Regional Board has rescheduled the public hearing as follows:

Date: March 21, 2007 Time: 10:00 a.m.

Location: La Quinta City Council Chambers

During the hearing, the public and any other person interested in this matter can provide the Regional Board with comments on this matter.

Because the Discharger previously agreed to waive its right to a public hearing on this matter and to implement the proposed SEP in lieu of payment of \$24,000 of the proposed civil liability of \$33,000, the Complaint, ACLC No. R7-2006-0070, was rescinded and a revised draft ACL Order, Board Order No. R7-2007-0007, was prepared reflecting this settlement. The Regional Board may still decide to conduct a hearing on this matter, however. The settlement of this Order will become final 30 days from the date of this Public Notice. Persons wishing to file written comments on, or objections to, the proposed ACL Order or any other aspects of this matter are required to do so within 30 days of the date of this Public Notice so that the Regional Board may consider the comments.

Comments must be mailed to the following address:

California Regional Water Quality Control Board Colorado River Basin Region 73-720 Fred Waring Drive, Suite 100 Palm Desert, CA 92260

A copy of the draft ACL Order may be obtained from the Regional Board office. Please contact Doug Wylie at (760) 346-6585 for any questions regarding this matter.

Any person, who is disabled and requires special accommodations to participate in this Regional Board Meeting, is asked to contact Hilda Vasquez at (760) 776-8950 no later than 10 days before the scheduled public hearing.